

AMENDED IN SENATE JULY 15, 2003

AMENDED IN SENATE JUNE 26, 2003

AMENDED IN ASSEMBLY JUNE 3, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 655

**Introduced by Assembly Member Liu
(Coauthor: Assembly Member Jackson)**

February 19, 2003

An act to add Sections 66901.5, 69510.5, and 94770.5 to, and to add Chapter 11.1 (commencing with Section 66910) to Part 40 of, the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 655, as amended, Liu. Postsecondary education: California Postsecondary Education Policy and Finance Commission: California Postsecondary Education Commission: Student Aid Commission: Bureau for Private Postsecondary and Vocational Education.

Existing law, known as the Donahoe Higher Education Act, sets forth, among other things, the missions and functions of California's public and independent segments of higher education, and their respective institutions of higher education. Among other things, the act establishes the 17-member California Postsecondary Education Commission (CPEC) for, among other purposes, the collection of data pertinent to the planning and coordination of the higher education system of the state.

Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. Under existing law, the commission, among other things, administers the Cal Grant Program, the Student Opportunity and Access Program, the Assumption Program of Loans for Education, the Graduate Assumption Program of Loans for Education, the Public Interest Attorney Loan Repayment Program, and the California State Work-Study Program. The Student Aid Commission also oversees the state's participation in the Federal Family Education Loan Program.

Existing law, known as the Private Postsecondary and Vocational Education Reform Act of 1989, generally sets minimum standards of instructional quality, ethical and business practices, health and safety, and fiscal responsibility for private postsecondary and vocational educational institutions, as defined. The act establishes the Bureau for Private Postsecondary and Vocational Education, which, among other things, is required to review and investigate all institutions, programs, and courses of instruction approved under the act. By its own terms, the act is repealed as of January 1, 2005.

This bill would consolidate the program responsibilities of the Student Aid Commission, the Bureau for Private Postsecondary and Vocational Education, and CPEC into a single state entity, known as the California Postsecondary Education Policy and Finance Commission, and would provide for the appointment of its members and of an executive director. The bill would require the California Postsecondary Education Policy and Finance Commission to succeed to the powers, duties, functions, and obligations of CPEC and the Student Aid Commission on July 1, 2005, and to succeed to the powers, duties, functions, and obligations of the bureau on January 1, 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 66901.5 is added to the Education Code,
- 2 to read:
- 3 66901.5. Notwithstanding any other provision of law, on July
- 4 1, 2005, the California Postsecondary Education Policy and
- 5 Finance Commission established by Chapter 11.1 (commencing



1 with Section 66910) shall succeed to all of the powers, duties,
2 functions, and obligations of the California Postsecondary
3 Education Commission.

4 SEC. 2. Chapter 11.1 (commencing with Section 66910) is
5 added to Part 40 of the Education Code, to read:

6
7 CHAPTER 11.1. CALIFORNIA POSTSECONDARY EDUCATION
8 POLICY AND FINANCE COMMISSION
9

10 66910. It is the intent of the Legislature to consolidate the
11 program responsibilities of the Student Aid Commission, the
12 Bureau for Private Postsecondary and Vocational Education, and
13 the California Postsecondary Education Commission into the
14 California Postsecondary Education Policy and Finance
15 Commission and, in so doing, accomplish all of the following:

16 (a) Consolidate within a single state agency key responsibilities
17 for higher education planning and analysis, program
18 administration, and information system management.

19 (b) Maintain at the state level essential capacity to coordinate
20 all sectors of postsecondary education, both public and nonpublic,
21 given the size, scope, and complexity of California postsecondary
22 education.

23 (c) Serve as the primary entity for independent and objective
24 higher education policy planning and analysis.

25 (d) Facilitate the coordination and utilization of the capacity of
26 private postsecondary sector, combined with other sectors of
27 higher education, to achieve a more effective use of privately and
28 publicly funded education in promoting economic growth in
29 California.

30 (e) Integrate student fee and financial aid policies with
31 institutional funding and finance policies.

32 (f) Maintain a statewide postsecondary accountability
33 structure that periodically provides an assessment of the progress
34 made by the state's system of postsecondary education in meeting
35 the needs of Californians.

36 (g) Establish and maintain a comprehensive postsecondary
37 education information system, integrating data from all sectors of
38 postsecondary education, including financial aid, and providing
39 accurate current and historical data about higher education.

1 66910.5. (a) The California Postsecondary Education Policy
2 and Finance Commission is the statewide policy and planning
3 agency for higher education. The commission is an adviser to the
4 Governor, the Legislature, and the segments of higher education.
5 The commission shall serve as a principal fiscal and program
6 adviser to the Governor and the Legislature on postsecondary
7 educational policy.

8 (b) The commission's responsibilities include, but are not
9 necessarily limited to, all of the following:

10 (1) Providing long-range planning for meeting the
11 postsecondary education needs of Californians, including
12 planning for the adequate provision of facilities, programs and
13 campuses, and assessing and advising state policymakers
14 regarding priorities dictated by current and evolving public needs.

15 (2) Providing policy and fiscal analyses regarding the most
16 critical issues facing California higher education, including those
17 affecting the success of Californians in attending and completing
18 their postsecondary education.

19 (3) Advising on the long-range planning proposals of the
20 various public and private postsecondary education entities,
21 including making recommendations for the efficient and
22 coordinated use of state resources among California's public and
23 private postsecondary institutions.

24 (4) Annually advising, and issuing recommendations to, the
25 Governor and the Legislature regarding the financing and resource
26 needs of California postsecondary education.

27 (5) Maintaining a statewide postsecondary education
28 accountability framework that identifies state public policy goals
29 and provides a means for assessing progress toward meeting those
30 goals across all segments of postsecondary education.

31 (6) Reporting periodically to the Governor and Legislature on
32 the results of the postsecondary education accountability system,
33 including both of the following:

34 (A) Reporting on the state's progress in achieving
35 postsecondary education policy goals and priorities and the policy
36 implications of this progress, or lack thereof.

37 (B) Making recommendations on needed adjustments to state
38 policy goals, priorities, and indicators, as warranted.

1 (7) Advising the Governor and the Legislature regarding the
2 need for, and the location of, new institutions and campuses of
3 public higher education.

4 (8) Reviewing proposals by the public segments for new
5 programs, the priorities that guide them, and the degree of
6 coordination with nearby public, independent, and private
7 postsecondary educational institutions, and making
8 recommendations regarding those proposals to the Governor and
9 the Legislature.

10 (9) Serving as the state-level repository for postsecondary
11 education data, and the lead agency for coordinating with the data
12 systems for elementary and secondary education.

13 (10) Administering designated state-authorized student
14 financial aid programs available to students attending all segments
15 of California postsecondary education in a manner that encourages
16 maximum access to these programs by students.

17 (11) Approving and regulating private postsecondary
18 educational institutions, and developing state policies to enhance
19 the role of private postsecondary and vocational education in
20 training the California workforce.

21 (c) The commission shall consult with the segments of
22 postsecondary education and with relevant state agencies,
23 including the Superintendent of Public Instruction, and other
24 relevant parties, in its preparation of analyses and
25 recommendations for the Governor and the Legislature. However,
26 the commission shall remain an independent and nonpartisan body
27 responsible for providing an integrated and unbiased view for
28 purposes of state policy formulation and evaluation.

29 (d) (1) The commission shall administer state-authorized
30 student financial aid programs pursuant to Chapter 2
31 (commencing with Section 69500) of Part 42.

32 (2) Whenever, by the provisions of any act of Congress, a
33 program of scholarships or grants or other aid for undergraduate
34 students is established that permits administration of the program
35 within this state if the Governor and the commission, by a majority
36 vote of its entire membership, determine that the participation by
37 the state in the federal program under the act would not interfere
38 with, or jeopardize, the continuation of the Cal Grant Program
39 established by Chapter 1.7 (commencing with Section 69430) of
40 Part 42, the commission may administer that program.

1 (3) The commission shall constitute the state commission on
2 federal scholarships or grants, and may formulate a plan for the
3 development and administration of any federal scholarship or
4 grant program operating within the state. Subject to Chapter 2
5 (commencing with Section 69500) of Part 42, the commission is
6 hereby vested with all necessary power and authority to cooperate
7 with the government of the United States, or any agency or
8 agencies thereof, in the administration of any act of Congress
9 establishing a scholarship or grant program and the rules and
10 regulations adopted thereunder. Before adopting a state plan, the
11 commission, acting as the state commission on federal
12 scholarships and grants, shall hold public hearings as provided in
13 the rulemaking provisions of the Administrative Procedure Act as
14 set forth in Chapter 3.5 (commencing with Section 11340) of Part
15 1 of Division 3 of Title 2 of the Government Code.

16 66911. (a) The commission may establish an auxiliary
17 organization for the purpose of providing operational and
18 administrative services for the commission's participation in the
19 Federal Family Education Loan Program.

20 (b) The auxiliary organization shall be established as a
21 nonprofit public benefit corporation subject to the Nonprofit
22 Public Benefit Corporation Law in Part 2 (commencing with
23 Section 5110) of Division 2 of Title 1 of the Corporations Code,
24 except that, if there is a conflict between this article and the
25 Nonprofit Public Benefit Corporation Law, this article shall
26 prevail.

27 (c) The commission shall maintain its responsibility for
28 financial aid program administration, policy leadership program
29 evaluation, and information development and coordination. The
30 auxiliary organization shall provide operational and support
31 services essential to the administration of the Federal Family
32 Education Loan Program, if those services are determined by the
33 commission to be consistent with the overall mission of the
34 commission. The implementation and effectuation of the auxiliary
35 organization shall be carried out so as to enhance the
36 administration and delivery of commission programs and services.

37 (d) The operations of the auxiliary organization shall be
38 conducted in conformity with an operating agreement approved
39 annually by the commission. The commission may approve an
40 operating agreement for a period not to exceed five years. Prior to



1 approval, the commission shall provide the proposed operating
2 agreement to the Department of Finance for its review and
3 comment. The operations of the auxiliary organization shall be
4 limited to services prescribed in that agreement.

5 (e) The commission shall oversee the development and
6 operations of the auxiliary organization in a manner that ensures
7 broad public input and consultation with representatives of the
8 financial aid community, colleges and universities, and state
9 agencies.

10 (f) The auxiliary organization established pursuant to this
11 section shall be governed by a board of directors nominated and
12 appointed by the commission. One member of the board of
13 directors shall be an employee of the auxiliary organization, and
14 one member of the board of directors shall be a student enrolled
15 in a California public or private postsecondary educational
16 institution. The commission shall determine the composition of
17 the remainder of the board of directors, including both the size and
18 categories of membership of the board.

19 (g) The board of directors shall, during each fiscal year, hold
20 at least one business meeting each quarter. The board of directors
21 shall have the benefit of the advice and counsel of at least one
22 attorney admitted to practice law in this state and at least one
23 licensed certified public accountant. Neither the attorney nor the
24 certified public accountant need be members of the board.

25 (h) No member of the board of directors shall be financially
26 interested in any contract or other transaction entered into by the
27 board of which he or she is a member.

28 (i) ~~It is the intent of the Legislature to continue~~

29 (1) *It is the intent of the Legislature to accomplish both of the*
30 *following:*

31 (A) *Continue* the existing relationship between the California
32 Student Aid Commission and the auxiliary organization, as it
33 exists on January 1, 2005, into the establishment of the California
34 Postsecondary Education Policy and Finance Commission.

35 ~~66941.5.—~~

36 (B) *Hold informational policy hearings to determine the*
37 *long-term future role, purpose, and relationship of the*
38 *commission's auxiliary organization.*

39 (2) *Any and all agreements entered into prior to July 1, 2005,*
40 *between the Student Aid Commission and the auxiliary*

1 organization established pursuant to Article 2.5 (commencing
2 with Section 69522) of Chapter 2 of Part 42 shall remain in effect
3 after July 1, 2005, and deemed to be agreements between the
4 California Postsecondary Education Policy and Finance
5 Commission and the auxiliary organization it establishes pursuant
6 to this section. The information system originally established by
7 the auxiliary organization established pursuant to Article 2.5
8 (commencing with Section 69522) of Chapter 2 of Part 42 for the
9 purpose of providing operational and administrative services for
10 the Student Aid Commission's participation in the Federal Family
11 Education Loan Program shall remain independent from the
12 successor commission's comprehensive postsecondary student
13 information system.

14 66911.5. (a) The California Postsecondary Education and
15 Finance Commission shall succeed to the powers, duties,
16 functions, and obligations of the California Postsecondary
17 Education Commission and the California Student Aid
18 Commission on July 1, 2005.

19 (b) Notwithstanding any other provision of law:

20 (1) All state civil service employees carrying out functions
21 transferred from the California Postsecondary Education
22 Commission or the Student Aid Commission to the California
23 Postsecondary Education and Finance Commission shall be
24 transferred to the new commission on July 1, 2005.

25 (2) All state civil service employees carrying out functions
26 transferred from the Bureau for Private Postsecondary and
27 Vocational Education to the California Postsecondary Education
28 and Finance Commission shall be transferred to the new
29 commission on January 1, 2006.

30 66912. (a) The California Postsecondary Education Policy
31 and Finance Commission is hereby established. The commission
32 shall have 17 members, who shall be appointed in accordance with
33 all of the following:

34 (1) Nine members of the general public, appointed as follows:
35 ~~three by the Governor, three~~ five by the Governor, two by the
36 Senate Rules Committee and ~~three~~ two by the Speaker of the
37 Assembly. It is the intent of the Legislature that the commission
38 be broadly and equitably representative of the general public and
39 the various regions of the state, independent of existing higher

1 educational institutions, and knowledgeable about key issues in
2 education and the economic development of California.

3 (2) One representative of the Regents of the University of
4 California designated by the regents, one representative of the
5 Trustees of the California State University designated by the
6 trustees, and one representative of the Board of Governors of the
7 California Community Colleges designated by the board.
8 Representatives of the regents, the trustees, and the board of
9 governors shall be chosen from among the appointed members of
10 their respective boards, but in no instance shall an ex officio
11 member of a governing board serve on the commission.

12 (3) One representative of the independent California colleges
13 and universities that are formed and operated as nonprofit
14 corporations in this state and are accredited by a regional
15 association that is recognized by the United States Department of
16 Education. This member shall be appointed by the Governor from
17 list or lists submitted by an association or associations of those
18 institutions.

19 (4) One representative of the private postsecondary and
20 vocational institutions that are formed and operated as profit
21 corporations in this state and are accredited by a national
22 association that is recognized by the United States Department of
23 Education. This member shall be appointed by the Governor from
24 list or lists submitted by an association or associations of those
25 institutions.

26 (5) The President of the State Board of Education or his or her
27 designee selected from among the other members of the board.

28 (6) Two student representatives, each of whom shall be
29 enrolled at a California postsecondary education institution at the
30 time of appointment and during the term of service, except that a
31 student member who graduates from an institution with no more
32 than six months of his or her term remaining shall be permitted to
33 serve for the remainder of the term. The Governor shall appoint the
34 student members from persons nominated by the appropriate
35 student organizations of each of the postsecondary education
36 segments. For each student member of the commission, the
37 appropriate student organization may submit a list of nominees.
38 The list shall specify not less than three and not more than five
39 nominees. For the independent California colleges and
40 universities that are formed and operated as nonprofit corporations

1 in this state, this member shall be appointed by the Governor from
2 a list or lists submitted by an association or associations of those
3 institutions. The student member appointed to the commission
4 shall not be enrolled in the same segment as the outgoing student
5 member or in the same segment as the other sitting member.

6 (7) No person who is employed by any institution of public or
7 private postsecondary education shall be appointed to or serve on
8 the commission, except that a person who is not a permanent,
9 full-time employee who has part-time teaching duties that do not
10 exceed six hours per week may be appointed to and serve on the
11 commission.

12 (8) The commission members designated in paragraphs (1),
13 (3), (4), and (5) shall each serve a six-year term. The commission
14 members designated in paragraph (2) shall serve at the pleasure of
15 their respective appointing authorities. The members designated
16 in paragraph (6) shall each serve a two-year term. However, in
17 order to stagger the terms of the public appointees, of the nine
18 commission members designated in paragraph (1), three shall
19 initially be appointed to terms of two years, three to terms of four
20 years, and three to terms of six years. If a vacancy occurs prior to
21 the expiration of a term, the appointing authority may appoint a
22 member for the remainder of the term. An individual whose term
23 has expired may continue to serve on the commission until ~~their~~
24 *his or her* replacement has been appointed.

25 (b) Any person appointed pursuant to this section may be
26 reappointed to serve additional terms. All terms subsequent to the
27 initial appointments, which become effective July 1, 2005, shall
28 begin on January 1 of the year in which the respective terms are to
29 commence.

30 (c) No person appointed pursuant to this section shall, with
31 respect to any matter before the commission, vote for or on behalf
32 of, or in any way exercise the vote of, any other member of the
33 commission.

34 (d) The commission shall meet as often as it determines to be
35 necessary to carry out its duties and responsibilities.

36 (e) Any member of the commission who, in any calendar year,
37 misses more than one-third of the meetings of the full commission
38 forfeits his or her office, thereby creating a vacancy.

39 (f) The commission shall select a chair from among the
40 members representing the general public. The chair shall hold

1 office for a term of two years, and may be selected to two
2 successive terms.

3 66912.5. It is the intent of the Legislature that, ~~on both of the~~
4 *following occur*:

5 (a) *On January 1, 2006, the commission shall succeed to the*
6 *powers, duties, functions, and obligations of the Bureau for*
7 *Private Postsecondary and Vocational Education, as those powers,*
8 *duties, functions, and obligations existed on January 1, 2005.*

9 (b) *The commission's responsibilities with respect to the*
10 *powers, duties, functions, and obligations previously carried out*
11 *by the Bureau for Private Postsecondary and Vocational*
12 *Education shall be funded solely through approval fees and federal*
13 *funding provided to implement the approval process for courses*
14 *offered to veterans by vocational and degree-granting institutions.*

15 66913. (a) The commission shall have an executive director,
16 appointed by, and serving at the pleasure of, the commission. The
17 executive director of the commission shall be exempt from civil
18 service pursuant to subdivision (e) of Section 4 of Article VII of
19 the California Constitution. The commission may delegate to the
20 executive director any power, duty, function, or jurisdiction that
21 the commission may lawfully delegate, including the authority to
22 enter into and sign contracts on behalf of the commission. The
23 executive director may delegate any of these powers, duties,
24 purposes, functions or jurisdictions to his or her designee, unless
25 by statute, rule, or regulation the executive director is expressly
26 required to act personally.

27 (b) (1) The commission shall annually review and establish
28 the salary of its executive director according to a methodology
29 established by the commission. This methodology shall take into
30 consideration the salary of directors of comparable boards in states
31 with postsecondary education systems comparable to California's
32 in size, complexity, and level of state expenditures. The
33 comparison states shall include seven major industrial states,
34 including Illinois, New Jersey, New York, Ohio, and Texas. The
35 commission shall notify the Chairperson of the Joint Legislative
36 Budget Committee of this annual salary amount. Notwithstanding
37 Section 19825 of the Government Code, the salary shall become
38 effective no sooner than 30 days after written notice of the salary
39 is ~~provide~~ *provided* to the chairperson of the committee, or no

1 sooner than a lesser interval determined by the chairperson, or his
2 or her designee.

3 (2) The commission shall annually conduct an evaluation of the
4 performance of the executive director, and this evaluation shall
5 place the highest priority on the effectiveness of the commission
6 in implementing its policy and planning responsibilities.

7 (c) The commission may appoint any subcommittee or
8 advisory committees that it deems necessary to advise the
9 commission. The advisory committees may consist of commission
10 members or nonmembers, who may include, but are not
11 necessarily limited to, students, faculty members, segmental
12 representatives, governmental representatives, and
13 representatives of the public.

14 (d) Each member of the commission shall receive full
15 reimbursement for his or her actual and necessary traveling
16 expenses incurred in the course of his or her duties.

17 66913.5. (a) The operations of the commission shall be
18 conducted through the following units:

19 (1) Policy and Planning.

20 (2) Licensure and Quality Review of Private Postsecondary
21 Institutions, commencing on January 1, 2006.

22 (3) Student Financial Aid and Auxiliary Organizations.

23 (4) Information Systems.

24 (b) Notwithstanding any other provision of law, each of the
25 units listed in subdivision (a) shall be administered by a deputy
26 director appointed through a career executive assignment, as
27 defined in Section 18547 of the Government Code, made by the
28 commission upon recommendation by the ~~Executive Director~~
29 *executive director*.

30 (c) The units listed in paragraphs (1), (2), and (3) of subdivision
31 (a) shall operate independently. Aside from the executive director
32 of the commission, to whom all of the deputy directors shall report,
33 no person may be employed by, or perform tasks for, more than one
34 of these units simultaneously. It is the intent of the Legislature that,
35 in the annual Budget Act, appropriations for the four units shall be
36 set forth in discrete schedules. However, the Information Systems
37 Unit shall be a service entity that provides data services for all of
38 the other units.

39 (d) (1) Commencing on December 1, 2005, and on or before
40 December 1 of each year thereafter, the executive director shall

1 submit, to the Legislative Analyst and to the chairpersons of the
2 appropriate policy and fiscal committees of the respective houses
3 of the Legislature, a written report on the progress in meeting the
4 goals of the commission and the extent to which the units
5 established by this section are operating effectively and
6 independently.

7 (2) On or before March 1, 2007, and periodically thereafter, the
8 Legislative Analyst shall submit its written report to the
9 chairpersons of the appropriate policy and fiscal committees of the
10 respective houses of the Legislature on the effectiveness of the
11 commission's policy leadership and the extent to which the units
12 established by this section are operating successfully and
13 independently, along with any recommendations to improve the
14 commission's ability to carry out its responsibilities.

15 66914. (a) There is established a Policy Advisory Committee
16 to the Commission, the Executive Director, and the Deputy
17 Director for Policy and Planning. This advisory committee shall
18 consist of each of the following:

19 (1) The President of the University of California, or his or her
20 designee.

21 (2) The Chancellor of the California State University, or his or
22 her designee.

23 (3) The Chancellor of the California Community Colleges, or
24 his or her designee.

25 (4) The Superintendent of Public Instruction, or his or her
26 designee.

27 (5) An executive officer from one of the independent
28 California colleges and universities that are formed and operated
29 as nonprofit corporations in this state and are accredited by a
30 regional association that is recognized by the United States
31 Department of Education, appointed by an association of those
32 institutions.

33 (6) An executive officer from one of the accredited private
34 postsecondary institutions, appointed by an association of those
35 institutions.

36 (b) Commission meeting agenda items and associated
37 documents shall be provided to the advisory committee in a timely
38 manner for its consideration and comments.

39 (c) The responsibilities of the Policy Advisory Committee to
40 the Commission, the Executive Director, and the Deputy Director

1 for Policy and Planning include, but are not necessarily limited to,
2 all of the following:

3 (1) Identifying issues and problems that involve all of the
4 segments of higher education and elementary and secondary
5 education, and working to develop a common approach to
6 addressing major issues.

7 (2) Responding proactively to policy initiatives taken by the
8 commission, both by encouraging the segments to be active
9 participants in the conversation and by expressing the concerns of
10 the segments to the commission.

11 (3) Providing support and assistance for commission projects
12 and studies.

13 ~~69614.3.—~~

14 66914.3. (a) There is established an Advisory and Review
15 Committee to the Financial Aid and Auxiliary Organization Unit
16 of the Commission, consisting of all of the following:

17 (1) Two representatives who are knowledgeable about
18 financial aid policy from each of the public segments. For each
19 segment, one representative shall be from the systemwide office
20 or association and one representative shall be from a campus.

21 (2) Two representatives of the independent California colleges
22 and universities appointed by an association of those institutions.
23 One representative shall be from the systemwide office or
24 association, and one representative shall be from a campus.

25 (3) Two representatives of private institutions eligible to enroll
26 students receiving state funded financial aid.

27 (4) Two student representatives.

28 (b) The Deputy Director for Financial Aid and Auxiliary
29 Organizations shall be required to convene this body at least once
30 every two months. This committee has the authority to advise the
31 deputy director on administrative matters related to
32 implementation of financial aid programs. In addition, this
33 committee, working through the policy advisory committee
34 established under Section 66914, has the authority to make
35 recommendations to the commission on the financial aid policy
36 matters under its purview.

37 (c) Commission meeting agenda items and associated
38 documents related to financial aid and auxiliary organization
39 policies shall be provided to this committee in a timely manner for
40 its consideration and comments.



~~69614.5.—~~

66914.5. The chair of the commission shall designate three commissioners to serve as members of the Advisory and Review Committee for the Financial Aid and Auxiliary Organizations Unit. These commissioners shall serve as a review and appeals body to hear and act on institutional requests to appeal staff decisions regarding rules and regulations.

~~69614.7.—~~

66914.7. (a) The executive director shall appoint an Advisory and Review Committee for the Licensure and Quality Review of Private Postsecondary Institutions Unit. The committee shall consist of representatives of institutions, student advocates, and employers who hire graduates of these institutions. The advisory committee shall be balanced to ensure that institutions, student advocates, and employers have approximately equal representation. Institutional representatives on the committee shall be in general proportion to the types of institutions approved or registered pursuant to this chapter and to the number of students served by each type of institution. The advisory committee shall advise the commission concerning the commission's administration, licensing, and enforcement functions under this chapter.

(b) The chair of the commission shall designate three commissioners to serve as members of the Advisory and Review Committee for the Licensure and Quality Review of Private Postsecondary Institutions Unit. These commissioners shall serve as a review and appeals body to hear and act on institutional requests to appeal staff decisions regarding rules and institutional licensure.

66915. (a) Within 60 days of the operative date of the act that adds this chapter, the Governor, in consultation with legislative leadership, shall appoint a three-person task force to accomplish all of the following:

(1) Oversee the consolidation of the three agencies.

(2) Recommend followup legislation to implement the objectives of the consolidation.

(3) Facilitate a smooth transition in the consolidation of staff and agency responsibilities.

(b) The three members of the transition task force shall not be current employees of any of these three agencies, and shall not be

1 candidates for employment with the commission after the
2 consolidation. The members of the task force ~~will~~ *shall* not be on
3 salary.

4 (c) The chief executive officers from each of the three agencies
5 shall work with the transition task force in the preparation and
6 implementation of transition plans. Staff from each of the three
7 agencies shall also assist the transition task force, as requested.

8 (d) It is the intent of the Legislature that the current
9 administrative relationship between the California Student Aid
10 Commission and EdFund, the auxiliary organization, shall be
11 continued beyond July 1, 2005.

12 (e) During 2004 and 2005, the transition task force shall present
13 ~~their~~ *its* conclusions and recommendations to the appropriate
14 policy and fiscal committees, to the Governor, and to the affected
15 agencies.

16 (f) *Within 90 days of its formation, the transition task force*
17 *shall review the status of the EdFund and the various issues related*
18 *to the EdFund, including management options and federal issues,*
19 *and report options and recommendations to the Governor and the*
20 *Legislature.*

21 SEC. 3. Section 69510.5 is added to the Education Code, to
22 read:

23 69510.5. Notwithstanding any other provision of law, on July
24 1, 2005, the California Postsecondary Education Policy and
25 Finance Commission established by Chapter 11.1 (commencing
26 with Section 66910) of Part 40 shall succeed to all of the powers,
27 duties, functions, and obligations of the Student Aid Commission.

28 SEC. 4. Section 94770.5 is added to the Education Code, to
29 read:

30 94770.5. Notwithstanding any other provision of law, on
31 January 1, 2006, the California Postsecondary Education Policy
32 and Finance Commission established by Chapter 11.1
33 (commencing with Section 66910) of Part 40 shall succeed to all
34 of the powers, duties, functions, and obligations of the Bureau for
35 Private Postsecondary and Vocational Education.

